GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industrial Promotion – M/s. Tarakeswara Textile Park Pvt. Ltd. –Proposal to set up a Textile Park near Sullurpet, SPSR Nellore District –Orders- Issued.

INDUSTRIES & COMMERCE (PROGRAMME-II) DEPARTMENT

G.O.MS.No. 131 Dated: 31-12-2015

Read the following:-

1. From M/s. Tarakeswara Textile Park Pvt. Ltd Ltd., Dt:14.09.2015.
2. 2nd Empowered Committee Meeting of Secretaries held on 09.11.2015
3. State Investment Promotion Board Meeting held on 17.11.2015.

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O R D E R:-

In the reference 1st read above, M/s. Tarakeswara Textile Park Pvt. Ltd. proposes to Establishment the Textile Park near Sullurpet, SPSR Nellore Dist. Andhra Pradesh as Textile Park with an aggregate total investment of Rs.337 crores including overall investment in planned machinery of Rs.223 crores, with potential to create employment to 2,275 people.The company has requested for the following incentives:

Requests within the Policy:

(i) Reimbursement of stamp duty on land procured for development of the Project.

(ii) A Solar Power Plant of 2 MW capacity is proposed inside the Park to cater to the "Captive" needs of the common infrastructure and facilities. 0.5 MW is the estimated demand for the common infrastructure and facilities. It is requested that all incentives under the AP Solar Power Policy 2015 as applicable to the Textile Park/ Developer be made available.

(iii) Being a proposed composite/ integrated Textile Park, it is requested that grant-in-aid of 50% of the cost of common infrastructure & facilities with a ceiling of Rs. 30 crores be provided (cost of common infrastructure -Rs.50 Crore).

Outside the Policy:

(i) Uniform power subsidy @ Rs.1.50 per unit for 7 years to the Developer.
(ii) Reimbursement of 100 % Value Added Tax /Central Sales Tax on the purchases made by the developer during construction.
(iii) Exemption from payment of NALA tax/ fee towards land conversion.
(iv) Reimbursement of 75% of Provident Fund (PF) and Employees State Insurance (ESI) for the employees in Textile Park and the Units therein.
(v) External Infrastructure.

(P.T.O)

(a) **33 ft Approach Road** – from Sullurpeta NH to Padamata kandriga about 1.5 KM **(Rs.400 Lakhs).**

(b) **Power -** laying of line from 200 KV sub-station (Mannarpolur) to Padamata kandriga sub-station, which is about 6 KMs to get power at 33kv with six feeders **(Rs.303.63 Lakhs).**

(c) Water - 2 MLD of water from Satyasai Ganga canal (8B branch canal) to the factory at Sullurpeta through 5 KMs pipeline **(Rs. 420 Lakhs)**

Requests for the units in the Park

Requests within the Policy:

(i) Reimbursement of 100 % Value Added Tax /Central Sales Tax on the purchases made by the units.

(ii) Reimbursement of stamp duty: The first lessor of the Enterprises/ Units set up in the park be provided reimbursement of stamp duty paid on lease of industrial land/ built-up area

Requests outside the Policy:

(i) Delinking of interest rate with Technology Up-gradation Fund Scheme.
(ii) Uniform power subsidy @ Rs.1.50 per unit for 7 years to the units

2. In the reference 2nd read above, the Empowered Committee of Secretaries has discussed the proposal of M/s. Tarakeswara Textile Park Pvt Ltd., and recommended to extending certain incentives and further recommended for placing the proposal before the Sate Investment Promotion Board.

3. In the reference 3rd read above, the State Investment Promotion Board (SIPB) have discussed the proposal of M/s. Tarakeswara Textile Park Pvt. Ltd., in detail and recommended to extend the incentives:

(i) De-linking of the interest subsidy component provided in the Andhra Pradesh Textile and Apparel Policy 2015-20 from the TUFS scheme of the Government of India, subject to the condition that the interest subsidy availed should not exceed (12.5) %, in case the unit avails interest subsidy under TUFS scheme and which shall be verified and certified by the concerned General Manager, District Industries Centre.
(ii) To consider external infrastructure assistance for the following:

(a) 100 % of the expenditure for laying of the power line from 220 KV substation, Mannarpoluru & not exceeding Rs. 3.04crores.

(b) 50% of the cost approach road to from NH to the unit and not exceeding Rs.2.00 crores.

(c) 50% of the cost of water pipeline from SSG canal to the unit & not exceeding Rs 2.10 crores .

(Cont...d)

The above Assistance towards (a),(b) and (c) above will be paid under the Industrial Infrastructure Development Fund funds directly to the Government Department, which executes the work.

(iii) 100% Reimbursement of once time conversion fee under NALA.

(iv) In view of the significant spin off benefits in attracting additional investment and employment in the garmenting sector, the State Investment Promotion Board recommended to give the facility of an option to the Garment Industry either to opt for interest subsidy as provided in Andhra Pradesh Textile and Apparel Policy 2015-20 or 50% reimbursement on expenditure incurred towards the employers contribution Employee State Insurance and Employee Provident Fund. This facility will be available to the garment units with an investment size of Rs.(125) Crores or providing direct employment to (1000) persons.

(v) All other benefits as per Textiles and Apparel Policy 2015-20.

4. Government after careful examination of the recommendations of the State Investment Promotion Board, hereby decided to extend the following incentives to M/s. Tarakeswara Textile Park Pvt. Ltd., for proposed Establishment of Textile Park near Sullurpet, SPSR Nellore District. of the company with an investment of Rs. 337.00 Crores and creating employment to 2,275 persons:

(i) De-linking of the interest subsidy component provided in the Andhra Pradesh Textile and Apparel Policy 2015-20 from the Technology Up-gradation Fund scheme of the Government of India, subject to the condition that the interest subsidy availed should not exceed (12.5) %, in case the unit avails interest subsidy under Technology Up-gradation Fund scheme and which shall be verified and certified by the concerned General Manager, District Industries Centre.

(ii) To consider external infrastructure assistance for the following:

(a) 100 % of the expenditure for laying of the power line from220 KV substation, Mannarpoluru and not exceeding Rs.3.04crores (Rupees Three Crores and Four lakhs only)

(b) 50% of the cost of approach road from NH to the unit and not exceeding Rs.2.00 crores (Rupees Two Crores only)

(c) 50% of the cost of water pipeline from SSG canal to the unit and not exceeding Rs. 2.10 crores (Rupees Two crores and Ten lakhs only)

The above Assistance towards (a),(b) and (c) above will be paid under the IIDF funds directly to the Government Department, which executes the work.

(iii) 100% Reimbursement of one time conversion fee under NALA

(iv) To give the facility of an option to the Garment Industry either to opt for interest subsidy as provided in Andhra Pradesh Textile and Apparel Policy 2015-20 or 50% reimbursement on expenditure incurred towards the employers contribution Employee State Insurance (ESI)and Employee Provident Fund(ESF). This facility will be available to the garment units with an investment size of Rs.125 Crores or providing direct employment to (1000) persons.

(P.T.O)

(v) All other benefits as per Textiles and Apparel Policy 2015-20.

5. The Commissioner of Handlooms and Textiles/ Director of Industries, A.P, Hyderabad shall take necessary action, accordingly and intimate the status of the progress of work done by the unit from time to time to the Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

NARESH PUNUMAKA
E.O. SECRETARY TO GOVERNMENT

To
The Commissioner of Handlooms and Textiles, AP.,Hyd.
The Director of Industries, A.P., Hyderabad. / CEO,A.PF.P. Society
M/s. Tarakeswara Textile Park Pvt. Ltd.,through the DOI.

Copy to:
The Finance (EBS-VIII)Dept.,
The Revenue (CT) Department.
The Revenue (Registration) Department.
The Energy Department.
The Irrigation (Reforms) Dept. .
The Law (H) Department.
The Accountant General, Andhra Pradesh, Hyderabad
The Commissioner of Commercial Taxes, Hyderabad
The Chairman & Managing Director, APTRANSCO., Hyderabad
The Managing Director, APSPDC Ltd., Kurnool
The Vice Chairman & Managing Director, APIIC, Hyderabad.
P.S. to Secretary to Chief Minister
P.S. to Chief Secretary to Government
P.S.to E.O. Secretary to Government,(Ind & Com) Dept.and
The Commissioner of Handlooms and Textiles, AP, Hyderabad.
SC/SF.

// FORWARDED:: BY ORDER//

SECTION OFFICER